

Safety and Claims Management / 5420

	2005 Actual¹	2006 Adopted	2006 Estimated²	2007 Adopted	2008 Projected	2009 Projected
Beginning Fund Balance	6,065,078	7,096,801	10,144,643	16,776,836	24,278,997	32,526,731
Revenues						
* Charges for Service ³	29,267,300	37,083,146	37,083,146	38,408,986	41,654,545	45,174,354
* Miscellaneous Revenue	925,188	844,177	844,177	744,053	744,053	744,053
* Interest Income	282,241	201,416	201,416	800,000	1,020,000	1,212,000
Total Revenues	30,474,729	38,128,739	38,128,739	39,953,039	43,418,598	47,130,407
Expenditures						
* Operating Expenditures ⁴	(26,393,703)	(3,563,491)	(3,563,491)	(4,475,277)	(4,699,041)	(4,933,993)
* Direct Claim Expenditures ⁵		(21,538,851)	(21,538,851)	(21,177,559)	(23,041,184)	(25,068,808)
* Indirect Claim Expenditures ⁵		(5,300,000)	(5,300,000)	(5,724,000)	(6,227,712)	(6,775,751)
* Excess Insurance Premiums ⁶		(1,094,204)	(1,094,204)	(1,074,042)	(1,202,927)	(1,347,278)
* Contingency Reserve		(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Total Expenditures	(26,393,703)	(33,496,546)	(33,496,546)	(34,450,878)	(37,170,864)	(40,125,830)
Estimated Underexpenditures		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Other Fund Transactions						
* Prior Period Adjustments	(1461)					
Total Other Fund Transactions	(1,461)	0	0	0	0	0
Ending Fund Balance	10,144,643	13,728,994	16,776,836	24,278,997	32,526,731	41,531,308
Less: Reserves & Designations						
* Worker's Compensation Claim Liabilities ^{5,7,8}	(49,456,950)	(58,595,328)	(53,856,000)	(53,856,000)	(58,595,328)	(63,751,717)
* Worker's Compensation Reserve Shortfall	39,312,307	44,866,334	37,079,164	29,577,003	26,068,597	22,220,408
Total Reserves & Designations	(10,144,643)	(13,728,994)	(16,776,836)	(24,278,997)	(32,526,731)	(41,531,308)
Ending Undesignated Fund Balance	--	--	--	--	--	--
Target Fund Balance ⁹	49,456,950	58,595,328	53,856,000	53,856,000	58,595,328	63,751,717

Financial Plan Notes:

1 Actuals through 14th Month of 2005

2 From 2006 2nd Quarter Report

3 Service charges in the outyears increase 8.45% annually to build liability reserves.

4 Operating expenditures projected to grow 5% annually.

5 Direct, indirect claims and worker's compensation claim liabilities projected to grow 8.8% annually in 2008 and 2009.

6 Insurance premiums projected to grow 12% annually in 2008 and 2009.

7 From 2006 actuary estimate for claim liabilities.

8 Industrial insurance rates increased as per a fund balance accumulation plan, to build fund balance to fully fund the actuarial liability.

9 Target fund balance to equal Worker's Compensation Claim Liabilities.